

Housing Counseling Frequently Asked Questions - Reporting

In October 2002, HUD issued a new form HUD-9902, the data collection instrument for the program, to be used by all HUD approved housing counseling agencies. Below are useful questions and answers designed to assist agencies in utilizing the new form and in accurately reporting housing counseling activities. Training and contact information is also listed at the end of this document.

1. What is the purpose of the new form HUD-9902?

A: HUD's goal with the new form is to improve the quality of the Housing Counseling Program data. The 9902 data is critical because it is with this data that we demonstrate to Congress and the Office of Management and Budget/Whitehouse the impact the program has.

HUD uses these numbers to justify our proposed appropriations, to develop performance indicators, and to demonstrate that we are meeting performance goals. This is important, because program appropriations are increasingly performance-based.

The data collected from form HUD 9902 also plays a role in Notice of Funding Availability (NOFA) scoring. We evaluate 9902 data in the context of the type of services provided, costs, spending decisions, etc.

2. How does an agency access the new form HUD-9902?

A: It can be downloaded from hudclips at:

<http://www.hudclips.org/>

Select "forms", then select HUD-9*. You must click on "Next List" three times to access the form. Note there are two versions listed - FY02 and FY03. Use FY03 for all future reporting.

Many HUD-approved housing counseling agencies do not apply and/or receive funding through the NOFA. Why should these agencies submit a form HUD-9902 and be concerned with accurate data collection?

Submitting the form HUD-9902 is a requirement for continued HUD approval. However, it is also in the interest of every HUD approved agency to be counting clients served on the 9902 correctly. Accurate data collection helps us portray the real need / demand for housing counseling that exists nationwide, helps us make the case that more money is needed to serve clients, and it also helps us justify money for training for HUD-approved Housing counseling agencies.

We all have a stake in the quality and completeness of this data - so we need everyone to complete it as accurately as possible.

3. What are the major changes between the new form and the old form?

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A: The new form is designed to capture a more complete representation of clients, housing counseling activities, and outcomes. Specifically, the new form:

- provides ore detail for race and ethnicity
- records income levels of clients
- distinguishes between outreach/group sessions vs. individual client sessions
- better captures the purpose of the visit and the results. For example, the old form lumped post-purchase issues together - couldn't tell who came in for default counseling vs. other post-servicing issues.

4. How were the race and ethnicity categories established?

A: The Office of Management and Budget who requires us to collect this data provided these categories. It is part of a new government wide effort to capture race/ethnicity data for all beneficiaries of government programs.

5. How does an agency properly complete sections 3 and 4 of the form HUD 9902?

A: The basic idea here is for each counseling activity you record, select one under Section 3 and one under Section 4. Therefore, the total numbers reported in Section 3 and Section 4 would be equal.

HUD wants racial/ethnic data for both those receiving education / workshops and for those who receive one-on-one counseling. Ideally the number of households counted in the racial/ethnicity section would equal the total number counseled. This is an important change from the old form 9902. In past 9902s, the racial/ethnicity numbers never equaled the total numbers.

To better help you understand how to collect this data accurately we have created a HUD-9902 instruction guide.

Under Section 4, there are no categories for people of Middle Eastern descent. How would an agency report these clients under Section 4?

These clients would be reported as white (defined under OMB guidelines as "a person having origins in any of the original peoples of Europe, the Middle East, or North Africa"). Please refer to the demographic desk guide for further assistance.

6. What if someone comes in for multiple, distinct types of counseling in a reporting period? Would an agency consider them as a new client each time and record their racial and ethnicity each time?

A: Yes - record their racial/ethnic data each time they visit the agency for a different type of counseling service. For example, if an individual comes in for one type of counseling, say pre-purchase, the agency would record their racial/ethnic data and also the type of

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counseling and the outcome once the file is terminated. If, later in the reporting period, the same individual comes in for another type of counseling, say default counseling, record this new activity in Section 7 and then record their racial/ethnic data again.

7. How does an agency accurately collect income levels?

A: Ideally, the number of households counted in Section 5 should equal the total number counseled. To better help you understand how to collect this data accurately; we have created a demographic desk guide located at http://www.hud.gov/offices/hsg/sfh/hcc/hcc_home.cfm.

8. When an agency serves multiple MSAs (Metropolitan statistical areas) with different Area Median Income (AMIs), can the housing counseling agency just use the state average?

A: No. There is quite a bit of variation on Area Median Income (AMI) from area to area so use the MSA that applies to the area your client resides in and calculate AMI as adjusted for family size.

9. What should an agency do when a client is reluctant to provide income data?

A: HUD advises the agency to be sensitive to their client's position but to be persistent in a friendly way. Perhaps show them the ranges of income based on their family size and ask them to just indicate which range their income falls under and emphasize that it's just a range and not an exact number. If the client is ultimately unwilling to provide the information, don't guess or record the information. The numbers will be different for this and total number of clients counseled. When this happens, agencies should explain the discrepancy in their final report narrative to HUD.

10. What should an agency do if they have not been collecting demographic data prior to the February 6, 2003 broadcast? Should the agency attempt to contact all clients counseled from October 1, 2002?

A: The agency should attempt to collect this demographic data from clients counseled by the agency since October 1, 2002. If there are a large number of clients, the agency may consider a mail campaign with a simple form for clients to anonymously complete and return to the agency. HUD understands this task may be difficult.

If you are a grant recipient, please also explain in the narrative reports portion if the demographic data in Sections 3, 4, and 5 do not equal total number of clients counseled.

HUD publishes new income data limits every February. The latest set was issued February 20, 2003 and is available at:
<http://www.huduser.org/datasets/il/fmr03/index.html>

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11. Will housing counseling agencies be required to recalculate income limits for clients counseled prior to February 20, 2003?

A: No, agencies will not be required to recalculate income limits for clients counseled prior issuance of new income limits each year. Clients reported after the effective date of the new limits will be categorized based on the new limits.

12. If a housing counseling agency teaches a class to a large group of people, must the agency collect demographic data for the participants? For example, the agency may offer a seminar on predatory lending to 100 participants at a homebuyer fair.

A: The agency must attempt to collect the demographic data for all participants. HUD recommends the agency devise a simple, anonymous form for clients to complete at the beginning of the class.

13. How does a housing counseling agency record education class activities for topics that are not listed under Section 6 of form HUD 9902 (Education/Outreach Services)?

A: The agency must fit the topic into the categories listed. For example, if a topic is pre-purchase in nature, it can be reported under Homebuyer education. If you think HUD needs to expand these categories, please let us know. Contact information is listed at the end of these FAQs.

14. How does HUD define outreach services under Section 6 of form HUD 9902?

A: Outreach services would include presentations that are not part of your standard group session curriculum. For example, presentations given at community forums to educate people about issues like predatory lending and fair housing, during which you also market your services would be considered outreach.

15. Does the distribution of materials, such as pamphlets, count as part of a housing counseling agency's outreach? For example, if an agency staffed a booth at a community event and distributed information about their programs to 500 people, would those 500 people be reported on form HUD 9902?

A: No, these types of interaction would not be reported.

16. Suppose two agencies collaborate to hold a workshop at a homebuyer fair and 600 people attend. How would each agency report the number of clients educated - prorated or would each agency report the total number of clients?

A: It depends on the situation. In the above example of 600 clients, if each agency taught a distinctly separate portion of the workshop then both agencies should report educating 600 clients. However, if the agencies worked together to teach the same topic, then the

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client numbers should be equitably prorated between the two agencies. In either situation, each agency should briefly describe the situation and how the agency determined how many clients to report in its annual report narrative.

17. How does an agency report services provided over the telephone - as education/outreach, clients counseled, or neither?

A: The answer to this question depends on the level of interaction with the client. The key is whether substantive counseling occurred, i.e. an analysis of the client's unique situation/financial information. Let's review several examples...

Example A

If someone calls and the agency for referral information and you give them the telephone number of another agency (for example, a shelter service rental assistance program) this is not considered either education/outreach or counseling so there is no need to count this interaction in either category or collect any demographic information.

Example B

Counseling agencies often receive telephone calls from individuals and give them a few minutes of advice over the phone, and often that is the end of the interaction. The agency has educated the caller and helped him/her make a better-informed decision. This type of interaction would be reported under Section 6, as Education/Outreach and the agency must collect demographic data from the caller. This type of activity can also be billed under a HUD grant. However, there is no need to start a file. Instead, the agency must keep a log of these clients, which includes date and duration of telephone call, who spoke with them, name, address, demographic information, duration, and subject discussed.

Example C

Also consider a telephone call where actual housing counseling takes place. HUD requires face-to-face counseling, and expects agencies to limit these types of telephone interactions to situations where travel to the office would be extremely difficult for the client (such as an elderly or disabled client, or if the client was located far from the office). We expect agencies to exercise good judgment when determining who to count as clients - telephone sessions must be meaningful and the counseling must meet requirements set forth in HUD Handbook 7610.1 Rev-4, Chapter 3. The reason for conducting a telephone conference in lieu of a face-to-face meeting must be clearly documented. The key to determining if this is truly housing counseling and not just education is whether substantive counseling occurred, i.e. an analysis of the client's unique situation/financial information. This type of telephone call may be reported as counseling and can also be billed to the housing counseling grant. The agency must collect the demographic data and will also be required to set up a client file. The agency must also collect financial documentation from the client to support the financial analysis. Client financial information should be requested prior to the telephone conference. Faxed information is acceptable.

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Some housing counseling agencies have intake interviews before referring a client to a group session. How do you advise agencies in this situation? Do they only record this individual as a group session participant? Or do they record the intake as individual counseling?

Again, we expect the agency to exercise good judgment. If a legitimate intake occurs, and substantive analysis is done regarding the client's unique financial situation, then this should count as an individual session and be recorded in Section 7, even if they are referred to a group session. However, if the client simply calls or comes in and says, "I am interested in purchasing a home," and then is referred to a group session, then this should not be counted as individual counseling in section 7.

18. Section 6 of form HUD 9902 also references predatory lending and fair housing. Who gets recorded here - just individuals attending group sessions/outreach presentations relevant to those topics or anyone seeking help with those issues, as the language on the form implies?

A: Both those clients attending a group session/outreach presentation and/or seeking one-on-one counseling related to fair housing or predatory lending would be counted in Section 6. Those receiving individual counseling in those areas would also be counted in the appropriate counseling heading under Section 7. For example, a client may attend a workshop on predatory lending then later contacts the agency for help with a mortgage default the client attributes to predatory lending. The client would be reported twice under Section 6, "Sought Help with or Attended Workshop on Predatory Lending" and reported once under Section 7, "Seeking Help with Resolving or Preventing Mortgage Delinquency."

19. One way the 9902 has been improved is to allow agencies to better report the results of housing counseling. However, some agencies have concluded that now HUD is only interested in recording counseling activities for which there is a clearly identifiable result. Will agencies still receive credit for counseling time even if there is no identifiable result?

A: Yes. As long as substantive analysis and counseling is taking place, even if there is no recognizable result, agencies are entitled to credit for that counseling time and can still bill HUD for these clients under the housing counseling grant.

20. How are clients with no identifiable result reported under Section 7?

A: Clients with no identifiable result can be recorded on form HUD 9902 under each subsection of Section 7 as a "currently receiving counseling" or "other" options.

If you reported a client as "currently receiving counseling" or "other" on the mid-year report and a real result is learned before the end of the reporting period, update the 9902 by taking one out of "currently receiving counseling" or "other" category and adding one to the proper result category.

If you are a grant recipient, when you use the "other" option, describe in your narrative report what "other" signifies.

21. What happens when an agency reports one result then finds out the next reporting year that this result was incorrect? For example, an agency reported a client under "will be mortgage ready in 90 days." In the next reporting year, the agency finds out the client did not purchase a home until 6 months after the counseling.

A: The agency reported the status of the client at the time based on the most current information it had available. If the client did not return to the agency for additional counseling and was not reported as a client in the new reporting year, there is no need to amend the prior year report.

22. What is the reporting period for HUD-approved housing counseling agencies?

A: HUD's reporting period follows the federal government's fiscal year cycle - October 1 through September 30.

23. How should agencies report carryover clients - individuals that received counseling in the previous reporting year, and are now receiving counseling again in the current year?

A: If they come in for counseling in the new reporting year, count them as a new client and record them on 9902, even if they were counted in the previous year's 9902. Don't record anticipated carry over clients - they may not return. Wait until they do.

24. If several members of a family come to a housing counseling agency for counseling, for example a husband, wife, and their teenage son visit the agency for pre-purchase counseling. Are they counted as three clients or one?

A: The family would be reported as one client (one individual household).

25. What happens if three families with the same housing issue come to a housing counseling agency? Would the group be counted as one client or three clients?

A: There is an example in the form instructions where three families come in and are counted as one. The key here is the group came together and approached the agency as one entity. No individual substantive analysis was needed and no work was required besides that which was done for group as a whole.

If there is follow up for a particular family, or special circumstances that caused you to perform substantive analysis on a family's unique financial situation beyond the group issue, then count this client individually in addition to the group.

26. How would an agency record demographic data for a group that it is counting as only one client?

A: HUD understands this may be difficult when recording the one race/ethnicity and one income for the whole group. If group is predominantly one race/ethnicity or one income level - choose the most common. If the group is diverse, use your best judgment and try to represent the group fairly. We know it won't be perfect, but the idea is for the demographic sections to add up to total clients.

27. How does an agency report a client that seeks counseling more than once for the same issue? For example, a family receives housing counseling for a mortgage default. The default is resolved through a special forbearance. Several months later, the same family comes back for default counseling again. Are these counted as two separate clients?

A: The answer depends on whether the agency terminated counseling after the first visit. In this example, the first visit resulted in an initiated forbearance agreement or payment plan so the agency should have terminated the counseling and closed the file. The second visit, even though for the same issue, is a new event and the agency would report the demographic information and counseling results again for the family.

However, suppose the clients never resolved their default as a result of the first visit and the file was not terminated. The second session may be considered a continuation of their default counseling. In this situation, the clients' demographic data is only recorded once and the result of the housing counseling would be reported under "currently receiving Foreclosure Prevention/Budget Counseling."

28. Are the results of a group education/outreach session ever recorded in Section 7 of form HUD-9902? For example, say an individual participates in a homebuyer education course - and that is enough information for them to successfully purchase a home, do they get recorded in Section 6 - group section - and then the result in Section 7?

A: No - results of a group education/outreach session are not recorded in section 7. In developing this new form we sought input from many of the counseling agencies, and the consensus was that many times you wouldn't know outcomes of group sessions. Section 7 is only intended for the results of individual counseling.

HUD is aware that some agencies have developed follow-up systems / surveys to capture results of group education sessions. We don't want to discourage that practice and you may include the results of this type of follow-up in your midterm and final narratives if you are a grant recipient.

29. How does an agency report the result of one-on-one post-purchase counseling in the area of home maintenance when the client doesn't receive a home equity or home improvement loan?

A: Section 7c of form HUD 9902 is worded narrowly but visits with the purpose of home maintenance counseling belong in 7c. There is a subcategory for those clients that obtain a loan. However, for those results not involving a loan record as "other" and note in the final narrative a few key words to indicate what "other" represented in this situation.

30. Should housing counseling agencies frequently report counseling results in "other" categories?

A: One of HUD's goals in developing the new form was to account for as many outcomes as possible so agencies completing the form could avoid the "other" response. In past reporting periods, a large percentage of the responses would be "other." This made it more difficult for HUD to report program results and achievements to Congress. We would like agencies to avoid using the "other" response under Section 7 whenever possible.

If you are a grant recipient, provide a few key words in your narrative portion of the final report describing what "other" signifies.

If you think we need additional categories for individual counseling, let us know. Contact information is listed at the end of the FAQs.

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31. If a client seeks help with resolving or preventing mortgage delinquency, and then subsequently files bankruptcy, how is that result reported in Section 7b?

A: Clients that file Chapter 13 bankruptcy would be reported under "Initiated Forbearance agreement/Repayment Plan." Clients that file Chapter 7 bankruptcy would be reported under "Other" and noted as such on the narrative portion of the final report.

Again, if you think we need additional categories for counseling results, let us know.

32. If a housing counseling agency is both an individually approved local agency and also a funded affiliate of an intermediary or State Housing Finance Agency (SHFA), to whom does the agency submit its 9902?

A: The agency must provide the form HUD 9902 to the intermediary or SHFA to be included in their totals. However, the local agency must also provide a copy to the Field Office that approved them so HUD can use it for review purposes.

33. What are reporting requirements for State Housing Finance Agencies (SHFAs) that do not receive HUD funding?

A: HUD does not require SHFAs to seek approval under HUD's housing counseling program to be eligible for funding. Therefore, if a SHFA does not receive a housing counseling grant, the SHFA does not need to file a 9902.

34. When is the form HUD-9902 due?

A: HUD approved agencies that are not reporting under a grant must submit their yearly report by November 30th for the period Oct 1 - Sep 30. Grantees must submit their report by December 31st.

In the rare instance where an agency or HUD terminates approval, the agency will be asked to submit its form HUD-9902 within 30 days from the date of termination.

35. What happens when an agency fails to submit the form HUD-9902 by the deadline?

A: This last reporting cycle for FY02, HUD extended the deadline five times to February 16, 2003. We will not offer extensions in the future. If an agency fails to submit its reports on time, the agency will no longer be allowed to participate in HUD's housing counseling program.

36. Is there ever a situation where a housing counseling agency needs to submit its 9902 more than once?

A: Yes. If a housing counseling agency receives a grant and spends all of the money within a few months it must submit a 9902 to receive the full grant amount even though

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the agency will continue to do additional housing counseling during the balance of the fiscal year. In this situation, the agency would need to submit another complete 9902 at the end of the fiscal year.

Grantees will also submit a mid-term narrative report due midway through the grant cycle (March 31,) summarizing the 9902 data collected.

37. How does a HUD-approved housing counseling agency submit its form HUD-9902?

A: Every agency is now required to submit the 9902 electronically through the following website:

<http://www.hud.gov/offices/hsg/sfh/hcc/hccprof10.cfm>

Instructions are on the web site. HUD will no longer accept the excuse that an agency is not online. In fact, we are going to begin using email to communicate with you - no more blast faxes. If your agency doesn't have an email account, please set one up. If you don't have the appropriate computer technology at your office, go to the library or find access somewhere else.

Remember, if you are a branch affiliate of an intermediary or State Housing Finance Agency, you will submit your form HUD 9902 to your intermediary or SHFA (with a copy to your approving office only if you are also locally approved).

Training

38. Is training available for housing counseling agencies?

A: Currently, training opportunities exist through Neighborhood Reinvestment Training Institute (NRTI). NRTI can be contacted at 800/438-5547 or visit <http://www.nw.org/training> for more details.

HUD's National Servicing Center also offers Loss Mitigation Training on a regular basis and each of HUD's Single Family Homeownership Centers also periodically offer training for housing counselors. HUD's training and event schedule is located at:

<http://www.hud.gov/offices/hsg/sfh/events/events.cfm>

HUD also archives previous satellite training or announcements. Information on how to access these archived webcasts is located at:

<http://www.hud.gov/webcasts/index.cfm>

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Contact Information:

Regional and National Intermediaries can contact.

Director, Program Support Division
Office of Single Family Housing
HUD Headquarters, Room 9166
451 Seventh Street, S.W.
Washington, D.C. 20410
Technical assistance contact: Program Support Division (202) 708-0317

Local Agencies and State Finance Agencies should contact the HOC for your state as listed below.

Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia

U.S. Department of Housing and Urban Development
Philadelphia Homeownership Center
ATTN: Director, Program Support Division
The Wanamaker Building, 100 Penn Square
East Philadelphia, PA 19107-3380
Technical assistance contact: Program Support Division 1-800-440-8647

Alabama, Puerto Rico, Florida, Georgia, Illinois, Indiana, Kentucky, Mississippi, North Carolina, South Carolina, and Tennessee

U.S. Department of Housing and Urban Development
Atlanta Homeownership Center
ATTN: Director, Program Support Division
40 Marietta Street, 8th Floor
Atlanta, GA 30303-2806
Technical assistance contact: Program Support Division 1-888-696-4687

Arkansas, Colorado, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, Wisconsin, and Wyoming

U.S. Department of Housing and Urban Development
Denver Homeownership Center
ATTN: Director, Program Support Division
633 17th Street
Denver, CO 80202-3607
Technical assistance contact: Program Support Division (303) 672-5216

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Alaska, Arizona, California, Hawaii, Oregon, Idaho, Nevada, and Washington

U.S. Department of Housing and Urban Development

Santa Ana Homeownership Center

ATTN: Director, Program Support Division

1600 North Broadway, Suite 100

Santa Ana, CA 92706-3927

Technical assistance contact: Program Support Division 1-888-827-5605